

Public Meeting Agenda

California Housing Finance Agency Board of Directors
 Thursday, January 20, 2022
 10:00 a.m.

Click on the link to register:

<https://attendee.gotowebinar.com/register/4982060228031664911>

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1. Roll Call
2. Approval of the minutes of the November 16, 2021 Board of Directors meeting 1
3. Chairperson/Executive Director comments
4. Single Family Programs update
 - A. General program update (Don Cavier, Sheryl Angst)
 - B. SB 129 Homebuyer Assistance funds update (Ellen Martin, Sharyl Silva) 5
 - i. Discussion, recommendation and possible action to reauthorize a single family loan product in support of the California Department of Transportation's State Route 710 Affordable Sales Program pursuant to Government Code Sections 54235-54239.4
 - Resolution No. 22-01** **10**
 - ii. Discussion, recommendation and possible action to authorize allocation of funds appropriated pursuant to the Budget Act of 2021, as amended, for the purpose of homebuyer assistance programs
 - Resolution No. 22-02** **13**
 - C. Accessory Dwelling Unit Grant Program update (Ellen Martin, Sharyl Silva) 15
5. California Mortgage Relief Program update (Rebecca Franklin)
6. Mixed-Income Program update (Kate Ferguson)

7. Business, Consumer Services and Housing’s presentation on Governor’s housing and homelessness budget priorities (Guest Speaker Sasha Kergan, Deputy Secretary of Housing and Consumer Relations at Business, Consumer Services and Housing Agency)	
8. Informational Reports	
A. Single Family Loan Production report	19
B. Multifamily Loan Production report	23
C. California Mortgage Relief Program report	31
9. Discussion of other Board matters	
10. Public comment: Opportunity for members of the public to address the Board on matters within the Board’s authority	
11. Adjournment	

MINUTES

California Housing Finance Agency (CalHFA) Board of Directors Meeting November 16, 2021

Meeting noticed on November 5, 2021

1. ROLL CALL

The California Housing Finance Agency Board of Directors Meeting was called to order at 10:10 a.m. by Acting Chair Gunning. A quorum of members was present.

MEMBERS PRESENT: Silber (for Assefa), Avila Farias, Gallagher, Grant (for Castro Ramírez), Gunn (for Imbasciani), Gunning, Hunter, Johnson Hall, Prince, Russell, Seeley (for Velasquez), Starr (for Ma), White

MEMBERS ARRIVING
AFTER ROLL CALL:

MEMBERS ABSENT: Bosler, Sotelo

STAFF PRESENT: Claire Tauriainen, Melissa Flores, Don Cavier, Kate Ferguson, Kathy Phillips, Ashley Garner

2. Approval of the Minutes – October 21, 2021

The minutes were approved by unanimous consent of all members in attendance.

3. Chairperson/Executive Director comments

Chairperson comments:

- Chair Gunning welcomed everyone to the meeting.

Executive Director comments:

- Johnson Hall announced that the first Accessory Dwelling Unit reservation is in process, as CalHFA continues to onboard more lenders to the ADU Grant Program.
- CalHFA is finalizing its response to questions received from the U.S. Department

- of Treasury following their review of the CA Mortgage Relief. The program continues to build up its contact center and application evaluation teams while awaiting approval.
- The National Mortgage Settlement housing counseling program continues to provide free, confidential counseling sessions and has helped more than 17,000 households to date.
- While still not voted on, the Build Back Better Act now includes a provision CalHFA has been advocating for that would expand housing bond capacity state-wide.
- She thanked retiring CalHFA Comptroller Lori Hamahashi and Single Family Director Tim Hsu for their many years of service.

4. Report from the Executive Evaluation Committee

Presented by Michael Gunning

EEC Chair Gunning reported to the Board that the Committee met earlier in the morning to discuss the process moving forward with timely performance evaluations of the Executive Director.

5. **Final Loan Commitment for Shiloh Terrace, No. 21-020-A/X/N, 134 units located in Windsor/Sonoma – Resolution No. 21-20**

Presented by Kate Ferguson and Seth Sterneck, CRP Affordable Housing & Community Development

On a motion by Russell, the Board approved **Resolution No. 21-20**. The votes were as follows:

AYES: Avila Farias, Gallagher, Grant (for Castro Ramírez), Gunn (for Imbasciani), Gunning, Hunter, Prince, Russell, Starr (for Ma), Seeley (for Velasquez), White

NOES: None

ABSTENTIONS: None

ABSENT: Sotelo

6. Final Loan Commitment for Vista Woods, No. 21-018-A/X/N, 179 units located in Pinole/Contra Costa – Resolution No. 21-21

Presented by Kate Ferguson and Ben Kurzius, MRK Partners

On a motion by Avila Farias, the Board approved Resolution No. 21-21. The votes were as follows:

AYES: Avila Farias, Gallagher, Grant (for Castro Ramírez), Gunn (for Imbasciani), Gunning, Hunter, Prince, Russell, Starr (for Ma), Seeley (for Velasquez), White

NOES: None

ABSTENTIONS: None

ABSENT: Sotelo

7. Final Loan Commitment for Marina Village Apartments, No. 21-015-A/X/N, 160 units located in Suisun City/Solano – Resolution No. 21-22

Presented by Kate Ferguson

On a motion by Russell, the Board approved **Resolution No. 21-22**. The votes were as follows:

AYES: Avila Farias, Gallagher, Grant (for Castro Ramírez), Gunn (for Imbasciani), Gunning, Hunter, Prince, Russell, Starr (for Ma), Seeley (for Velasquez), White

NOES: None

ABSTENTIONS: None

ABSENT: Sotelo

8. Building Black Wealth campaign presentation

Presented by Kathy Phillips and Ashley Garner

Kathy Phillips, Director of Marketing and Communications and Ashley Garner,

Community Outreach Specialist, provided the Board with an overview of CalHFA's Building Black Wealth campaign. The campaign is designed to increase black homeownership rates in California and educate Black families on the housing inequities they face in the pursuit of homeownership.

9. Informational Reports

Chair Gunning asked if there were any questions about the reports and there were none.

10. Discussion of other Board matters

Chair Gunning asked if there were other Board matters to be discussed and Member Avila Farias asked if the 2022 conference schedule for affordable housing events was available.

11. Public comment

Chair Gunning asked if there were any comments from the public. There were none.

12. Adjournment

As there was no further business to be conducted, Chair Gunning adjourned the meeting at 11:48 a.m.

MEMORANDUM

To: Board of Directors

Date: January 20, 2022

From: Ellen Martin, Director of Business Development and Stakeholder Relations
CALIFORNIA HOUSING FINANCE AGENCY

Subject: ITEM 4.B - SB 129 Homebuyer Assistance Funds

The Budget Act of 2021 (SB 129) allocated CalHFA \$100 million from the General Fund for the purpose of providing homebuyer assistance. In alignment with the Administration's priorities of creating more affordable housing opportunities with deeper affordability, CalHFA has developed a new program to deploy these funds that focuses on expanding access to homeownership for currently underserved populations and offers a faster track to building equity in the home. More specifically, the program provides a greater level of down payment assistance than currently available through existing CalHFA homeownership programs and at more favorable loan terms. In support of another priority of the Administration, CalHFA proposes to use a portion of the funding to support Phase 2 of the Caltrans State Route 710 Affordable Sales Program, which creates deeply targeted homeownership opportunities for residents of properties currently owned and managed by Caltrans. As described further in the sections to follow, the proposed program includes the following key elements distributing the \$100 million General Fund appropriation:

- **Forgivable Down Payment Assistance.** The Agency proposes to allocate **\$88 million** of the \$100 million General Fund appropriation to create a forgivable loan program to fund down payment and closing costs for households earning 80 percent AMI or less.¹
- **State Route 710 Affordable Sales Program – Phase 2.** The Agency proposes to use **\$12 million** of the \$100 million General Fund appropriation to fund loans for low- and moderate-income residents of certain Caltrans owned properties in Los Angeles, South Pasadena, and Pasadena to preserve and expand the supply of low-and moderate-income housing and to prevent the displacement of current residents.

Forgivable Down Payment Assistance

CalHFA currently offers the MyHome Down Payment Assistance (DPA) program, which provides a silent second loan program with deferred loan payments – payments are due only when the home is sold, refinanced, or the first mortgage is paid in full. Homebuyers at 80% AMI or less currently make up approximately 19% of

¹ References to households earning less than 80 percent AMI or 80 percent AMI households throughout this memorandum mean households with income less than or equal to 80 percent of the area median income in accordance with the Fannie Mae Area Median Income Lookup Tool available here: [Area Median Income Lookup Tool \(fanniemae.com\)](https://www.fanniemae.com/area-median-income-lookup)

our lending activity and our DPA loans are currently offered at the lesser of 3 percent (Conventional) or 3.5 percent (FHA) of the homes purchase price or appraised value with no cap as of December 13, 2021.

The goal of the Forgivable Down Payment Assistance is to expand assistance to lower income Californians, offering opportunities for intergenerational wealth creation that foster equity and inclusion in accordance with both Administration and Agency goals. The Agency therefore proposes to use \$88 million of the SB 129 appropriation to offer augmented homebuying assistance in the form of a forgivable loan for households earning 80 percent AMI or less. Qualifying homebuyers are eligible for a forgivable loan amounting to the lesser of 10 percent of the home purchase price or appraised value to be used for down payment and closing costs, which can be combined with other local down payment assistance programs.

The forgivable loan will be offered at zero percent interest, with deferred payments for the life of the first mortgage and repayment due upon sale or refinance of the home if that sale or refinance occurs within five years of the original purchase. If the borrower occupies the home for a full five years, the entire amount of the loan is forgiven. If the home is sold or refinanced prior to the end of the five-year term, the forgiveness amount will be prorated on an annual basis over the five-year period.

Caltrans State Route 710 Affordable Sales Program – Phase 2

CalHFA staff recommends that the remaining \$12 million of the \$100 million SB 129 appropriation be used to fund loans for low- and moderate-income residents of Caltrans owned properties in Los Angeles, South Pasadena, and Pasadena. An extension of a prior Caltrans and CalHFA partnership to dispose of surplus residential properties, this proposal reflects the Administration and legislative goals to preserve and expand the supply of low- and moderate-income housing and prevent the displacement of current residents.

Background

Over 40 years ago Caltrans began acquiring property in the cities of Los Angeles, South Pasadena, and Pasadena to make way for a freeway extension along State Route 710 (SR-710), including over 400 single and multifamily residences. When the SR-710 project stalled and Caltrans no longer needed to retain many of these properties, the Legislature passed SB 86 (Roberti) adding Government Code sections 54235 through 54238.7 (the “Roberti Act”) setting forth the priorities and procedures for disposing of these surplus residential properties. Along with other requirements related to the terms and priority of sales, recently passed SB 51 (Durazo) mandates the disposal of these long-held surplus residential properties

The Roberti Act (as subsequently amended by SB 51) established key requirements of the SR-10 Affordable Sales Program (ASP), including the priority by which homes would be offered to prospective buyers, the sales price, and ongoing affordability restrictions. Generally, Caltrans owned properties must be first offered to current low- and moderate-income tenants (collectively “LMI households”) at a sales price affordable to those households based on their income. A portion of proceeds from subsequent sales are to be used to fund future ASP loans, after which remaining sales or loan proceeds is held in trust (the Affordable Housing Trust Account, or AHTA) for use by CalHFA

CalHFA Role

The provisions of the Roberti Act presented challenges for prospective LMI buyers to obtain financing. LMI borrowers participating in the ASP are unlikely to be able to obtain conventional financing that would conform to the standards of government-sponsored enterprises, including CalHFA’s current loan products. To address this problem CalHFA agreed to design a portfolio mortgage for potential LMI buyers purchasing homes via the ASP.

Absent reliable credit data or financial information pertaining to the potential LMI buyers, CalHFA designed a loan product using assumptions based on Caltrans provided rent rolls and other historical financial data.

CalHFA believes the loan product represents the minimum terms a prudent lender would offer given that these loans must be retained on CalHFA's balance sheet, serviced by CalHFA, and cannot be sold on the traditional secondary mortgage market. The Caltrans SR-710 ASP Term Sheet (See Exhibit A) specifies specific terms of the proposed loan product.

Phase 1

In Phase 1, Caltrans offered 47 properties to LMI borrowers. CalHFA participated in drafting the resale restrictions, assisted in the hiring of the real estate contractor, and partnered with one of our approved CalHFA lenders (Mountain West Financial) to assist these potential home buyers in purchasing their first home. As specified in the ASP Term Sheet and summarized above, CalHFA established underwriting criteria tailored to this project.

Caltrans responsibilities included the following items:

- Funding Homebuyer Education Training provided by CalHFA for the buyers,
- Funding all non-recurring closing costs related to the escrow,
- Ensuring the property meets FHA minimum standards and any required repairs are made,
- Clearances of all pest findings on the pest report,
- Providing a 2-year roof certification and one year home warranty,
- Indemnifying CalHFA for legal issues related to sale of properties to perspective homebuyers,
- Reimbursement of CalHFA administrative costs through interagency agreement

In Phase 1, CalHFA issued seven separate first time homebuyer loans to income qualified borrowers. A total of \$1.1 million in Phase 1 loans were issued, which were funded by CalHFA's balance sheet. Financing was originated through Mountain West Financial and subsequently purchased by CalHFA. To date, no Phase 1 borrowers have been delinquent on their mortgage payments.

Proposed Phase 2

For the next phase, Caltrans has requested that CalHFA finance the sale of 118 remaining properties eligible for sale to LMI households. If approved by the Board, CalHFA's role in Phase 2 would be similar to that of Phase 1. CalHFA would offer financing to income qualified borrowers in partnership with Mountain West Financial. Unwriting standards would remain consistent with Phase 1.

To fund Phase 2, CalHFA staff propose to allocate \$12 million of the SB 129 appropriation to fund the purchase of these loans from our lender partner, Mountain West. Principal and interest payment on those loans, as well as a certain portion of net equity gains on the sale of the properties would be retained by CalHFA to be used for additional homebuying assistance activities consistent with the provisions of SB 129.

Phase 2 participation does potentially involve certain risks for CalHFA. While unrelated to CalHFA or otherwise outside of CalHFA's control, there has been substantial litigation related to the disposal of Caltrans properties and the disposal of these properties has garnered significant public scrutiny for Caltrans. In addition, given the nature of the nonconforming loans issued, CalHFA assumes financial and reputational risks associated with potential homeowner defaults and foreclosures. As noted above, however, no Phase 1 homeowner has yet defaulted. CalHFA staff have crafted the recommendations enumerated below based on an assessment of these risk characteristics and recommend mitigation measures that both acknowledge and seek to minimize identified risks.

Recommendations

With consideration to CalHFA's experience with Phase 1 and the lack of an alternative financing partner, CalHFA staff recommend participation in Phase 2 of the Caltrans ASP as specified above. However, CalHFA staff recommend that our participation be subject to approval of the attached resolution and the execution of an updated Interagency Agreement (IAA) with Caltrans that specifies the following terms and conditions of participation:

- **Use of Repayment Proceeds and Net Equity Account.** The new agreement should clarify the use of the net equity account to be consistent with Government Code Section 54237.7 (b). Repayment proceeds shall be used to first fund future ASP loans, and then to fund CalHFA programs in CalHFA's sole and absolute discretion within the specified statutory parameters.
- **Liability Protection and Indemnification.** Given a history of litigation surrounding the disposal of surplus Caltrans properties, CalHFA's participation in Phase 2 should be contingent on liability protection and indemnification from any future litigation similar to that provided as part of Phase 1.
- **Loan Level Requirements:**
 - Funding Homebuyer Education Training for the affordable buyers,
 - Funding all non-recurring closing costs related to the escrow,
 - Ensuring the property meets FHA minimum standards and any required repairs are made,
 - Clearances of all pest findings on the pest report,
 - Providing a 2-year roof certification and one year home warranty.
- **Execution of Interagency Agreement.** Caltrans will execute a new Interagency Agency Agreement which will, among other things, specify roles and responsibilities under Phase 2 and reimburse CalHFA for the administrative costs incurred in the discharge of their duties under the Phase 2.
- **Physical Condition of Properties.** Caltrans will conduct all needed repairs and provide a clear property condition report that mitigates the risk that potential borrowers will encounter expensive repair requirements that impact their ability to make timely mortgage payments.
- **Regulatory Agreement.** CalHFA participation should be contingent upon approval of a regulatory agreement specifying the use of the property and sales proceeds upon a resale at fair market value and approved by the Executive Director in conformance with the terms and conditions presented to the board.

Cal-Trans 710 Project

Affordable Sales Program Term Sheet

Preferred Lender	TBD
Loan Term	30 year fully amortizing
Occupancy	Owner occupied primary residence
Closing Costs	<ul style="list-style-type: none"> • Cal-Trans to pay for all customary and reasonable seller's closing costs and Borrower's non-reoccurring closing costs (i.e. title, escrow, processing fees, etc.) • Cal-Trans to pay Lender fees not to exceed the greater of 3% of the first mortgage loan amount or \$3,000 • Cal-Trans to pay Broker fees up to \$3,000 if the Borrower chooses to retain a Real Estate Agent to facilitate and advise on the purchase transaction • Borrower to pay for all reoccurring costs associated with the close of the loan (i.e. taxes, hazard insurance etc.)
Rate	Fixed Rate 30 year
Mortgage Insurance (MI)	N/A
Loan to Value (LTV)	100% of the Affordable Sales Price
Combined Loan to Value (CLTV)	105%
Down Payment Assistance (DPA)	DPA may be used, subject to availability of funds, to cover the reoccurring closing costs only
Minimum Credit Score	<p>Minimum Credit Score of 600</p> <ul style="list-style-type: none"> • satisfactory rental history to show minimum 12 month history with no late payments required
Reserves	N/A
Maximum Debt to Income (DTI)	43% maximum total debt to income ratio
Appraisal	<p>FHA appraisal – property must meet all FHA minimum standards</p> <ul style="list-style-type: none"> • Certification of Completion required for all repairs
Homebuyer Education	<p>Required for at least one occupant borrower</p> <ul style="list-style-type: none"> • Face-to-Face Homebuyer Education through NeighborWorks America or through one of the HUD approved Housing Counseling Agencies
Termite Report	Required, with applicable clearances
Roof Certification	2 year roof certification required paid by Caltrans
Home Buyer Warranty	1 year minimum required paid by Caltrans
Hazard Insurance	Must include guaranteed replacement and code upgrade enforcement coverage
Yield Spread Premium	N/A
Servicing Release Premium	N/a

1 BOARD OF DIRECTORS
2 OF THE CALIFORNIA HOUSING FINANCE AGENCY

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4 RESOLUTION NO. 22-01

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6 RESOLUTION REAUTHORIZING A SINGLE FAMILY LOAN PRODUCT IN
7 SUPPORT OF THE CALIFORNIA DEPARTMENT OF TRANSPORTATION'S
8 STATE ROUTE 710 AFFORDABLE SALES PROGRAM PURSUANT TO
9 CALIFORNIA GOVERNMENT CODE SECTIONS 54235 – 54239.4

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11
12 WHEREAS, Sections 54235 through 54239.4 of the Government Code (the "Roberti
13 Law") sets forth the priorities and procedures for the California Department of Transportation
14 ("Caltrans") to dispose of certain surplus residential property for State Route 710 ("SR 710") in
15 Los Angeles County (the "SR-710 Affordable Sales Program" or "ASP");

16 WHEREAS, the SR-710 Affordable Sales Program is implemented pursuant to Chapter
17 9.5, Title 21, Division 2 of the California Code of Regulations (Sections 1475 through 1491), as
18 they may be amended pursuant to Senate Bill Nos. 51 and 381 (2021-2022) in order to expedite
19 the disposition of such SR 710 surplus residential properties (the "ASP Regulations");

20 WHEREAS, Caltrans intends to immediately commence phase 2 of the ASP by
21 disposing of certain SR 710 surplus residential properties, including those properties currently
22 occupied by low and moderate income households or households whose income is up to 150% of
23 area median income (collectively, "LMI households") which shall be offered for sale at less than
24 fair market value in accordance with the ASP Regulations;

25 WHEREAS, CalHFA has determined that it is in the public interest for CalHFA to assist
26 in providing financial assistance using funds allocated pursuant to the Budget Act of 2021, as
27 amended by Senate Bill No. 129, directly or indirectly, to persons and families of low and
28 moderate income to enable them to purchase or refinance moderately priced single family
29 homes, and as more particularly described in the staff report presented to the Board at the
30 meeting ("Staff Report");

31 WHEREAS, pursuant to ASP Regulation 1491, entitled "Financing," CalHFA staff is
32 prepared to: (i) purchase loans, under the terms outlined in the Staff Report, to present occupants
33 who qualify as LMI Households in order to effectuate such sales under the ASP; (ii) to receive
34 all proceeds to which CalHFA is entitled under the ASP into the designated account (the
35 "Affordable Housing Trust Account" or "AHTA") for such purposes; and (iii) use such proceeds
36 to carry out any activity authorized under CalHFA's implementing statutes for the benefit of
37 persons or families of low and moderate income residing exclusively within the area set forth
38 therein in accordance with the ASP Regulations.

39 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors (the "Board") of the
40 California Housing Finance Agency ("Agency"), in consideration of the above, as follows:

1 Section 1. Reauthorization of ASP Loan Products. the Board hereby adopts the
2 recommendations outlined in the Staff Report, and incorporates the Staff Report herein by
3 reference. Pursuant to such recommendations, the Agency's single family lending division is
4 hereby reauthorized to offer financial loan products towards the purchase of surplus residential
5 property to present occupants who qualify as LMI Households, conditioned as follows:

- 6 a. Caltrans and the Agency enter into an interagency agreement, the form of which shall
7 be subject to approval by the Executive Director or her designee, and which shall
8 include, but not be limited to, the following terms and conditions:
- 9 a. An indemnity by Caltrans for claims related to, among other things,
10 implementation of the ASP;
- 11 b. Reimbursement by Caltrans for CalHFA staff hours to process loans and
12 sales; and
- 13 c. Use of proceeds from the AHTA subject to the Agency's approval in its sole
14 and absolute discretion.
- 15
- 16 b. Loan terms shall be as substantially set forth in the Staff Report. The Executive
17 Director or designee shall have the authority to modify the terms and parameters of
18 loan products in order to effectuate the intent of the ASP Regulations.
- 19
- 20 c. In accordance with ASP Regulations, such loans shall be subordinate to use and
21 resale restrictions, the form of which shall be subject to approval by the Executive
22 Director or her designee.
- 23
- 24 d. Notwithstanding CalHFA Board Resolution No. 21-07, the Agency may purchase up
25 to Twelve Million Dollars (\$12,000,000.00) of whole loans using Agency funds
26 allocated pursuant to the Budget Act of 2021, as amended by Senate Bill No. 129.
27 Such loans shall be used to finance surplus residential property sales of the ASP.
- 28

29 Section 2. Authorization of Related Actions and Agreements. The officers of the
30 Agency, or the duly authorized deputies thereof, are hereby authorized and directed, jointly and
31 severally, to do any and all things and to execute and deliver any and all agreements and
32 documents which they may deem necessary or advisable to effectuate the purposes of this
33 resolution.

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SECRETARY’S CERTIFICATE

I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized Secretary of the Board of Directors of the California Housing Finance Agency, hereby further certify that the foregoing is a full, true, and correct copy of Resolution No. 22-01 duly adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency duly called and held on the 20th day of January, 2022, at which meeting all said directors had due notice, a quorum was present and that at said meeting said resolution was adopted by the following vote:

- AYES:
- NOES:
- ABSTENTIONS:
- ABSENT:

IN WITNESS WHEREOF, I have executed this certificate hereto this 20th day of January, 2022.

ATTEST: _____
 CLAIRE TAURIAINEN
 Secretary of the Board of Directors of the
 California Housing Finance Agency

1 BOARD OF DIRECTORS
2 OF THE CALIFORNIA HOUSING FINANCE AGENCY

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4 RESOLUTION NO. 22-02

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6 RESOLUTION AUTHORIZING ALLOCATION OF FUNDS APPROPRIATED
7 PURSUANT TO THE BUDGET ACT OF 2021, AS AMENDED, AND
8 AUTHORIZING USE OF SUCH FUNDS FOR THE PURPOSES STATED
9 THEREIN

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12 WHEREAS, the Budget Act of 2021 made appropriations for the support of state
13 government for the 2021-2022 fiscal year;

14
15 WHEREAS, Senate Bill No. 129 amended the Budget Act of 2021 appropriating (i)
16 \$45,000,000 to the California Housing Finance Agency (“Agency”) to be used to finance low-
17 and moderate-income housing; and (ii) \$100,000,000 to be used for homebuyer assistance;

18 WHEREAS, California Health and Safety Code section 51004 provides the Agency may
19 utilize moneys which may be appropriated from time to time by the Legislature for effectuating
20 its purposes; and

21 WHEREAS, staff has determined that it is in the public interest for the Agency to accept
22 and use the funds allocated pursuant to the Budget Act of 2021, as amended by Senate Bill No.
23 129, for the purposes stated therein, and as more particularly described in the staff reported
24 presented to the Board at the meeting (“Staff Report”).

25 NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the California
26 Housing Finance Agency, in consideration of the above, as follows:

27 Section 1. Use of Funds. The Agency hereby acknowledges receipt of the funds
28 allocated pursuant to the Budget Act of 2021, as amended by Senate Bill No. 129, and authorizes
29 that such funds be used in accordance with the purposes stated therein.

30 Section 2. Homebuyer Assistance Funds. The Board hereby adopts the recommendations
31 outlined in the Staff Report, and incorporates the Staff Report herein by reference. Pursuant to
32 such recommendations, the Agency hereby allocates the \$100,000,000 appropriated to CalHFA
33 in the Budget Act of 2021, as amended by Senate Bill No. 129, to be used for homebuyer
34 assistance as follows:

- 35 (a) \$12,000,000 to the State Route 710 Affordable Sales Program – Phase 2; and
36 (b) \$88,000,000 to the Forgivable Down Payment Assistance Program.

37
38 Section 3. Authorization of Related Actions and Agreements. The officers of the
39 Agency, or the duly authorized deputies thereof, are hereby authorized and directed, jointly and

1 severally, to do any and all things and to execute and deliver any and all agreements and
2 documents which they may deem necessary or advisable to effectuate the purposes of this
3 resolution.

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5 SECRETARY'S CERTIFICATE
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7 I, Claire Tauriainen, the undersigned, do hereby certify that I am the duly authorized
8 Secretary of the Board of Directors of the California Housing Finance Agency, and hereby
9 further certify that the foregoing is a full, true, and correct copy of Resolution No. 22-02 duly
10 adopted at a regular meeting of the Board of Directors of the California Housing Finance Agency
11 duly called and held on the 20th day of January, 2022, at which meeting all said directors had due
12 notice, a quorum was present and that at said meeting said resolution was adopted by the
13 following vote:

14
15 AYES:

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17 NOES:

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19 ABSTENTIONS:

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21 ABSENT:

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23 IN WITNESS WHEREOF, I have executed this certificate hereto this 20th day of
24 January, 2022.

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27 ATTEST:

28 _____
29 CLAIRE TAURIAINEN
30 Secretary of the Board of Directors of the
31 California Housing Finance Agency
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MEMORANDUM

To: Board of Directors

Date: January 20, 2022

Ellen Martin, Director of Business Development and Stakeholder Relations

From: CALIFORNIA HOUSING FINANCE AGENCY

Subject: ITEM 4.C: ADU Grant Program Update

In September 2021, CalHFA introduced the CalHFA Accessory Dwelling Unit (ADU) Grant Program which provides up to \$25,000 in assistance for pre-development costs necessary to build an ADU. Since that time, CalHFA staff have undertaken significant efforts to begin to scale the ADU Grant Program, including establishing critical lender partnerships and developing an implementation plan designed to maximize the efficient deployment of ADU funds. This memorandum offers an update to the Board regarding the status of the CalHFA ADU Grant Program and outlines ongoing and future implementation efforts.

Background

The ADU Grant Program was established to meet Administration goals of creating more affordable housing while emphasizing cost efficiency; affirmatively furthering fair housing choice through investment in socially disadvantaged communities; and encouraging location and climate-efficient site selection.

Funded by \$81 million in American Rescue Plan Act of 2021 (ARPA) dollars as well as an additional \$19 million in unrestricted AB 101 funds (for a total of \$100 million), the ADU Grant Program was developed to incentivize construction of ADUs, strengthen communities by increasing homeowner equity, create intergenerational wealth building opportunities and stabilize a homeowner's financial situation by creating an income producing ADU. The program is intended to help stabilize neighborhoods, with a particular focus on serving socially disadvantaged areas such as Qualified Census Tracts (QCTs), as defined by the US Department of Housing and Urban Development (HUD). AB 101 funds will be used to fund grants for moderate income and low equity borrowers.

Since CalHFA is not a direct lender, the ADU Grant Program will primarily be deployed through our network of qualified lenders. When a homeowner applies for a construction loan with a CalHFA approved lender, the lender will include ADU grant eligible predevelopment costs (e.g., design, site improvements, and permit fees) into the construction loan. Simultaneously, the lender will prequalify the homeowner for the CalHFA ADU grant and submit the required documentation to CalHFA for review and approval. Once approved, CalHFA will wire funds directly to the construction escrow account, lowering the ADU construction loan principal that the homeowner must repay.

Homeowners eligible for the ADU Grant Program must meet one of the following income and equity characteristics:

- **Low-Income Household.** Income less than or equal to 80 percent Area Median Income (AMI) per Fannie Mae AMI lookup tool.¹
- **Low- or Moderate-Income Household Located in a Socially Disadvantaged Area.** Income less than or equal to CalHFA's income limit (150 percent of AMI) and the property is located in a Qualified Census Tract.
- **Low- or Moderate-Income Household with Low Equity.** Income less than or equal to CalHFA's income limit (150 percent of AMI) with a cumulative loan to value ratio exceeding 80 percent.

ADU Program Implementation Overview

While there is recent data to support a significant uptick in ADU permitting and construction across the state, it is still unknown how large the pool of qualified borrowers is going to be given the required income and equity characteristics of CalHFA ADU Grant Program beneficiaries. Consequently, to cast the widest net possible, CalHFA staff have established a multitrack implementation plan that is intended to maximize the deployment of ADU funds:

- **Track 1: Lender Network ADU Production.** This track reflects the primary mode of ADU funds deployment described above, whereby funds will be distributed via CalHFA's existing lender network.
- **Track 2: Non CalHFA Preferred Lender Platform.** CalHFA staff is working to expand access to the CalHFA ADU Grant Program for lenders that are not currently within CalHFA's existing lender network. These could include traditional mortgage lenders with construction and renovation loan programs but may also include nontraditional lenders such as a local jurisdiction with an established ADU construction and/or financing program. Other grassroots entities (e.g., Community Development Finance Institutions) may also be able to deploy ADU grant funds via this platform and their own ADU construction and financing programs.
- **Track 3: ADU Manufacturer and Builder Partnerships.** There are many specialized manufacturers and builders of ADUs located throughout California (though service areas tend to be concentrated in the Bay Area and Southern California, where most ADU construction to date is concentrated). Many of these manufacturers and builders have established financing partnerships to facilitate ADU construction. CalHFA is working to expand lender access for those financing partners under Track 2 and is exploring further partnerships with ADU manufacturers and builders to amplify the ADU Grant Program and expand the market for ADU construction.

CalHFA staff intend to pursue each of these tracks on a parallel basis, establishing the business partnerships and system requirements needed for full scale ADU Grant Program implementation. The sections to follow offer additional detail regarding the current implementation status as well as ongoing and future implementation efforts for each track identified above.

Track 1: Lender Network ADU Production

Over the last 18 months, CalHFA has been working with our approved lenders that offer renovation and construction financing suitable for ADU production, as well as establishing the internal systems needed to onboard lenders and to deploy the ADU grant funds. While we have over 140 CalHFA approved lenders, only about 20 CalHFA lenders offer these types of renovation/construction loans, which are substantially more complex and include maintaining and administering a construction escrow account.

¹ Fannie Mae Area Median Income Lookup Tool available here: [Area Median Income Lookup Tool \(fanniemae.com\)](https://www.fanniemae.com/area-median-income-lookup-tool)

Lender participation in CalHFA's ADU Grant Program requires execution of a participation agreement between CalHFA and the lender, which involves review by and negotiation between each party's legal department. To date, we have executed participation agreements with 14 lenders.

After execution of the participation agreement, the lender must then onboard the program in their system, establishing the necessary online and human infrastructure to prequalify borrowers and receive the ADU grant funds. This process typically takes 60-90 days. To date, 5 lenders have finished the onboarding process and are listed on the CalHFA website as an active CalHFA ADU approved lender. Combined, these 5 lenders have approximately 164 branches that represent substantial geographic coverage throughout California. Once all 14 lenders are active, there will be over 215 branches taking applications throughout California.

CalHFA staff continue to actively onboard lenders within the existing CalHFA approved lender network, and staff are also in discussions with representatives of Fannie Mae to identify approaches to facilitate and incentivize additional lender participation, along with the possibility of CalHFA being authorized to make prospective lenders aware of the opportunity to seek an ADU waiver through Fannie Mae.

This is significant, because under the current Fannie Mae guidelines, the income from an ADU cannot be used to qualify until the income from that ADU has been seasoned, typically 12 months. This is a natural barrier for lender participation and for lower income homeowners to access financing for ADU construction. Lenders will only lend to individuals that can qualify for limited cash out refinance once construction is complete. Borrowers reliant on the income from the ADU to refinance the construction loan are effectively cut out of the market. However, lenders with a waiver can use a portion of the prospective ADU income to help borrowers qualify for the new loan needed to wrap the existing mortgage and the ADU construction loan into a new first mortgage. Fannie Mae will always have control over the issuance of these waivers, but CalHFA being able to partner with Fannie Mae and act as a bridge between our lenders and Fannie Mae to facilitate the approval of a waiver could be a real benefit to scaling our program.

When the CalHFA ADU approved lender is ready to process ADU grants, the streamlined process CalHFA staff developed for the ADU grant program keeps the process as simple as possible with turnaround times expected to be 1-2 business days.

CalHFA staff are excited to report that we have received one ADU grant application that was approved and funded. The borrower was a moderate-income household with low equity located in the South El Monte (Los Angeles County) area of California. The borrower is building a 3-bedroom, 2-bathroom, 1,000 square foot ADU at a cost of about \$320,000. The ADU grant paid for all the project's permit fees.

Track 2: Non CalHFA Preferred Lender Platform

CalHFA staff are currently working to design the internal infrastructure to accommodate participation in the ADU Grant Program by lenders that are not currently in CalHFA's existing lender network. Many non CalHFA lenders offer construction and renovation loan products that are conducive to participating in the ADU grant program but are currently unable to access the CalHFA system because they are not an existing CalHFA approved lender. In addition, several local jurisdictions and CDFIs have indicated interest in exploring how to layer CalHFA's ADU grants with an existing or planned ADU financing program. Many of those programs are currently in pilot or planning phases, and CalHFA is assertively engaging with those localities to identify opportunities for partnerships.

In addition to negotiating business requirements and partnership parameters, this track will require an intensive IT effort to establish and implement the internal system requirements to allow non-traditional lenders to access our ADU grant reservation system much like existing CalHFA approved lenders.

Track 3: ADU Manufacturers and Builder Partnerships

Recent changes in California law to facilitate ADU production has contributed to the growth of the ADU

manufacturing and building industry. Many existing manufacturers of and builders specializing in construction of ADUs have established financing partnerships with various lenders, some of which are an existing ADU approved lender or are in CalHFA's lending network but not yet an ADU lender. CalHFA staff are commencing outreach to various ADU manufacturers, with an initial focus on ADU manufacturers/builders with established relationships with CalHFA's approved ADU lenders. CalHFA staff would like to explore opportunities to amplify the ADU grant program with those manufacturers who likely have more direct access to qualified ADU borrowers and have the financing infrastructure in place that can be seamlessly integrated with our current ADU grant deployment system. CalHFA staff are also working to develop marketing materials that may be used by future ADU partners to amplify the ADU Grant Program as part of their own online marketing presence.

As part of Track 2, future efforts will include outreach to the ADU manufacturers' preferred financing partners that are not CalHFA lenders or who are CalHFA lenders but not yet an ADU approved lender and establishing the business and system requirements to also onboard those lenders as a CalHFA approved ADU lender.

State of California

MEMORANDUM

To: Board of Directors

Date: January 20, 2022



Single Family Programs

From: CALIFORNIA HOUSING FINANCE AGENCY

Subject: Single Family Loan Production Report (December 2021)

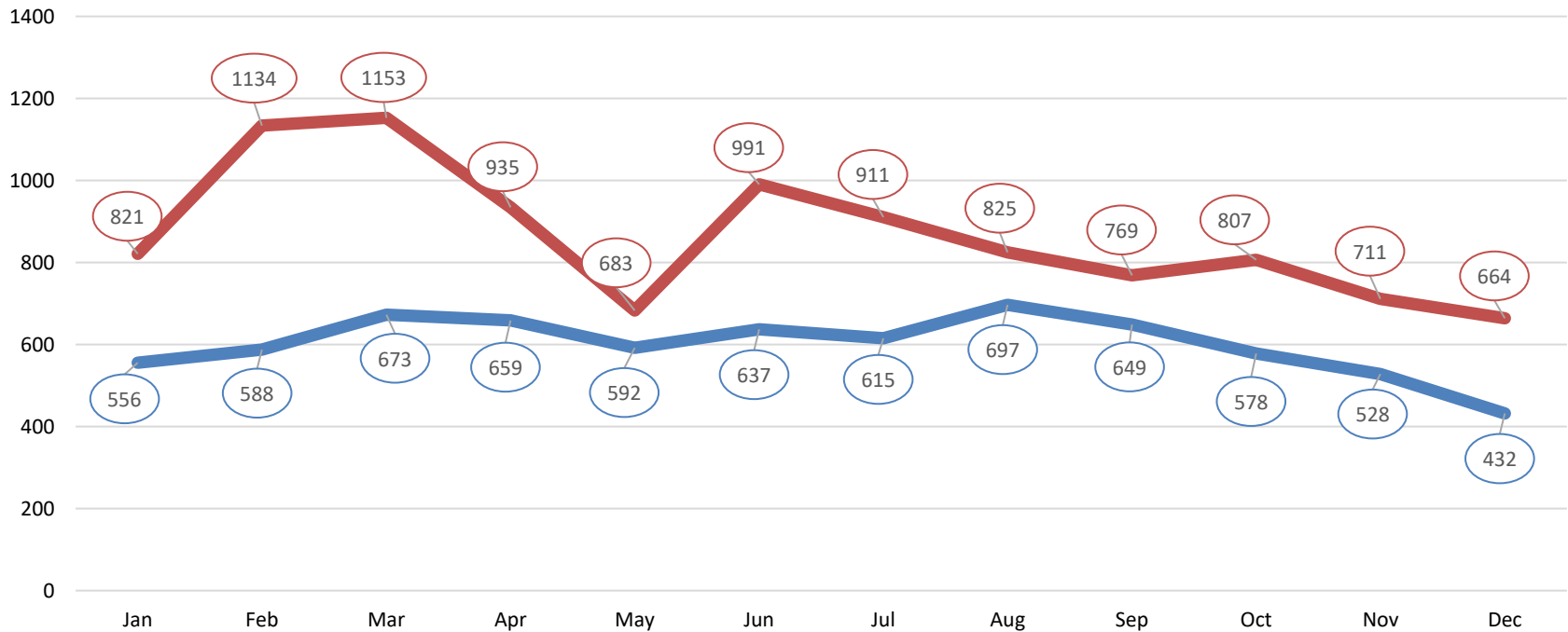
Highlights:

- Reservations Fiscal Year 2021-22: 3400+
- Securitization Fiscal Year 2021-22: 3200+ (\$1.1Bn)
- About 1/3 of our production are from 3 counties:
 - San Bernardino
 - Kern
 - Sacramento

Reservations down from last year

TOTAL RESERVATIONS

January 2020 - December 2020
January 2021 - December 2021

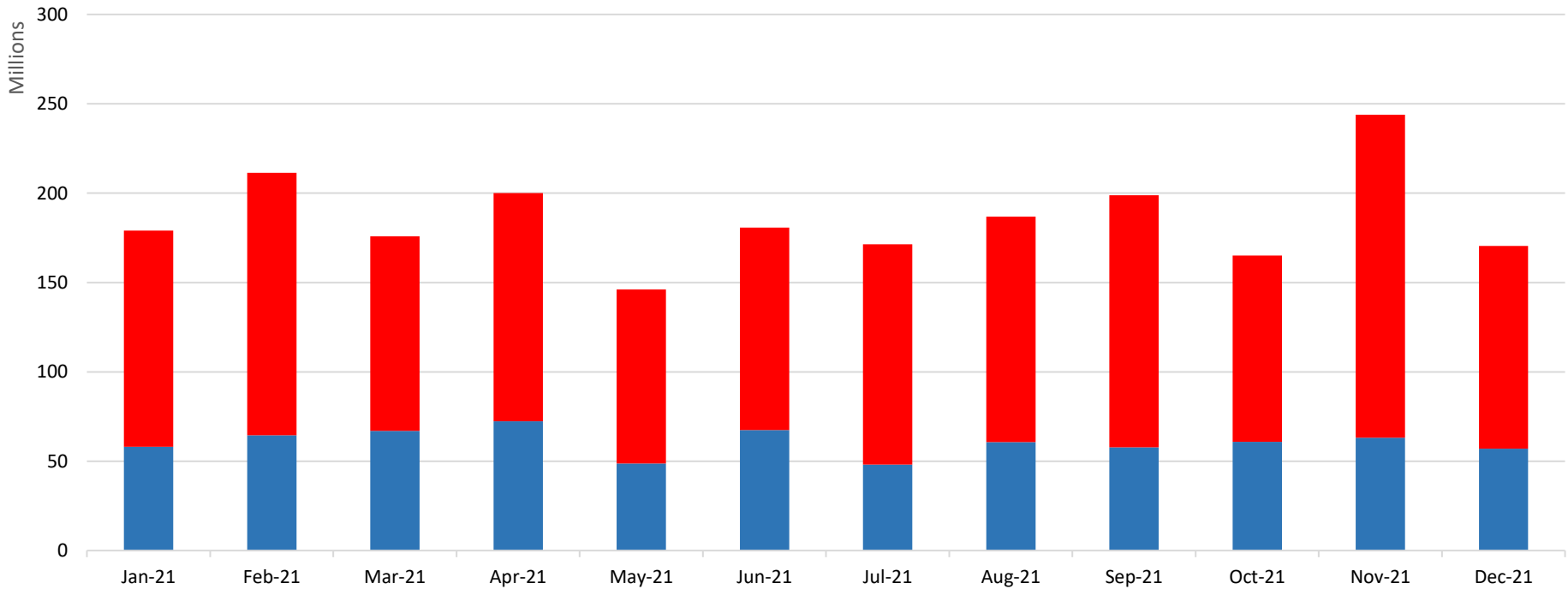


FY 2021/22 Totals:		
Conventional	1090	32%
FHA	2362	68%
	3452	

Totals:
January 2020 - December 2020 = 10404
January 2021 - December 2021 = 7204

— 1st Mtg. Reservations January 2020 - December 2020
— 1st Mtg. Reservations January 2021 - December 2021

January-2021 - December-2021 Securitized



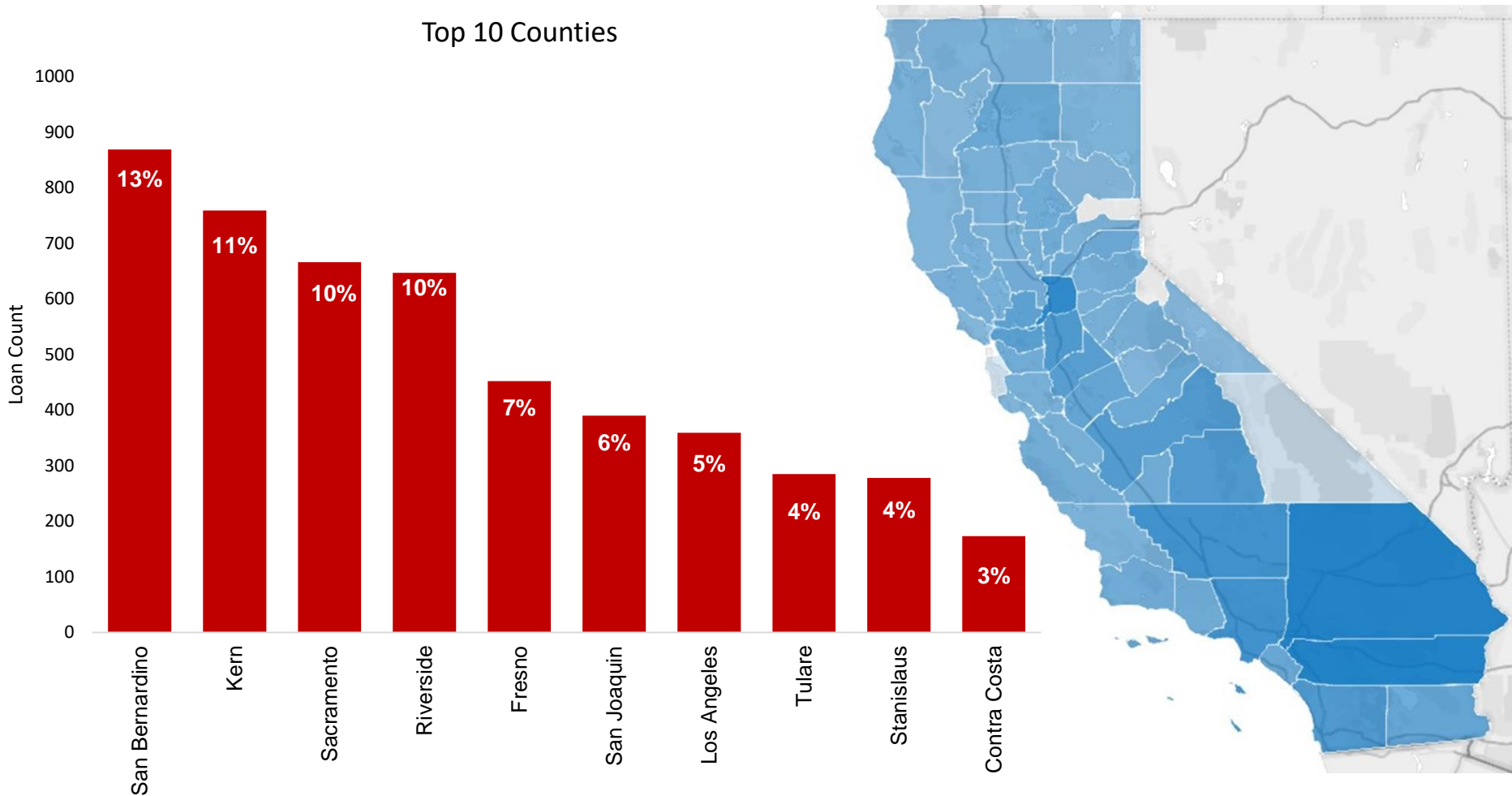
FY 2021/22 Totals

FHA with ZIP	2120	740,693,447	70%
FHA no ZIP	130	41,914,808	
VA	11	6,276,911	
USDA	16	5,124,231	30%
Conventional with ZIP	691	265,157,322	
Conventional no ZIP	67	25,369,569	
LI/VLI Conventional with ZIP	186	52,640,346	
LI/VLI Conventional no ZIP	16	4,644,209	
TOTAL	3237	1,141,820,843	

■ Conventional ■ Government

Where are our borrowers?

Top 10 Counties



State of California

MEMORANDUM

To: Board of Directors

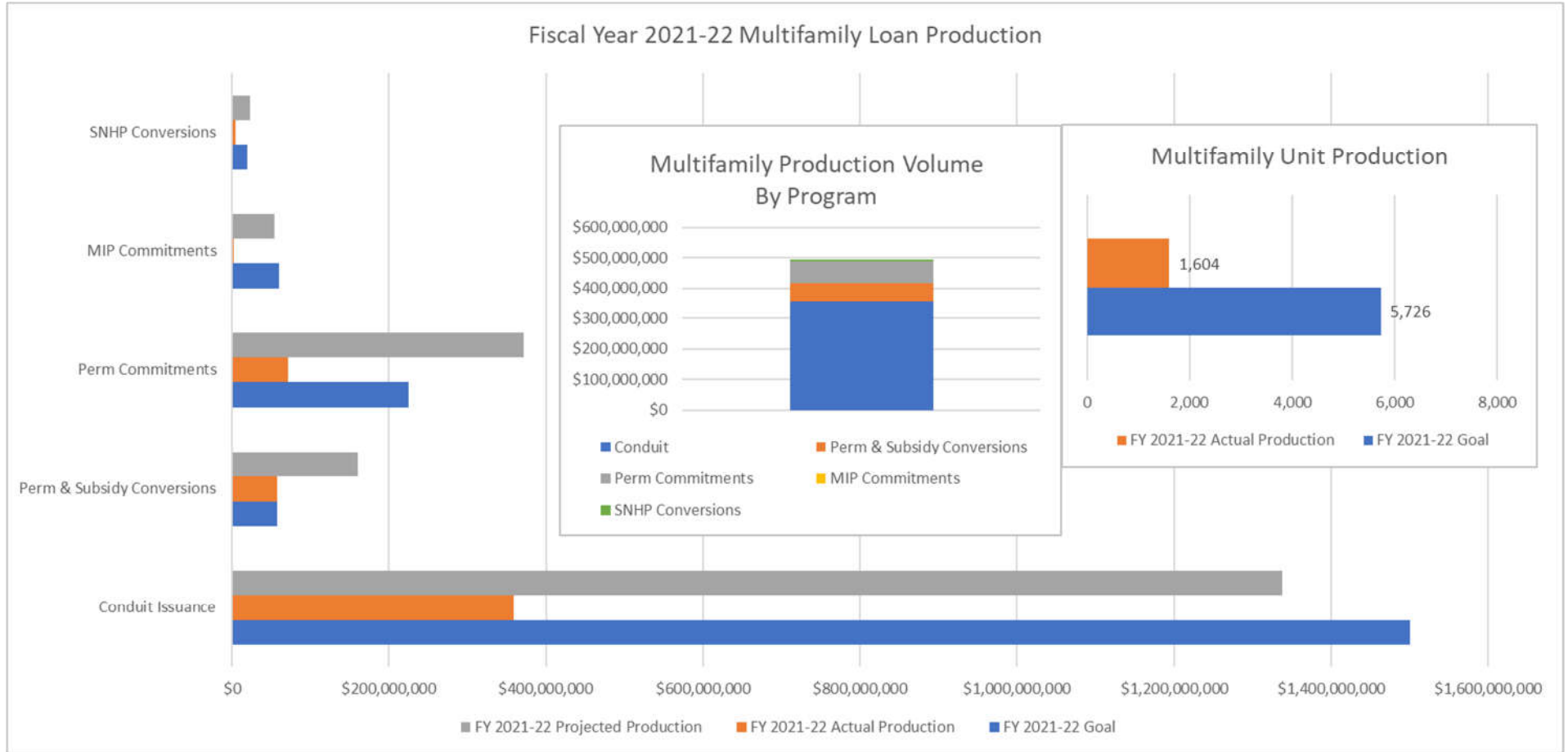
Date: January 20, 2022

From: Kate Ferguson, Director of Multifamily
CALIFORNIA HOUSING FINANCE AGENCY

Subject: UPDATE ON MULTIFAMILY LOAN PRODUCTION

CalHFA offers a variety of loan programs with competitive rates and long-term financing to advance the creation and preservation of affordable housing for people who truly need it. CalHFA's Taxable, Tax-Exempt, and/or CalHFA funded Permanent Loan programs provide competitive long-term financing for affordable multifamily rental housing projects. The CalHFA Mixed-Income Program provides competitive long-term subordinate financing for new construction multifamily housing projects restricting units between 30% and 120% of county Area Median Income. The CalHFA Conduit Issuer Program is designed to facilitate both for-profit and non-profit developers in accessing tax-exempt and taxable bonds for the financing of family and senior affordable and mixed-income housing developments. The goals of the programs are to increase and preserve the supply of affordable rental housing, maintain a quality living environment, leverage private sector funds to the greatest extent possible, and to cooperate with local jurisdictions to advance affordable housing goals.

Multifamily Loan Volume as of December 31, 2021



	Conduit Issuance	Perm & Subsidy Conversions	Perm Commitments	MIP Commitments	SNHP Conversions	Total All Programs
FY 2021-22 Goal	\$1,500,000,000	\$57,400,000	\$225,000,000	\$60,000,000	\$20,000,000	\$1,862,400,000
FY 2021-22 Actual Production	\$358,744,879	\$57,345,812	\$72,048,000	\$2,000,000	\$4,822,063	\$494,960,754
FY 2021-22 Projected Production	\$1,337,573,970	\$160,095,758	\$371,888,000	\$54,337,674	\$23,444,384	\$1,947,339,786
Percent of Goal Complete	24%	100%	32%	3%	24%	27%

FY 2021-22 Conduit Issuance as of December 31, 2021

<i>Multifamily Conduit Transactions</i>									
<i>(Closed)</i>									
Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Total
1 Cedar Village Apartments	Conduit - Reg Only	Chico	Individuals/Families	7/23/2021	116	-	-	\$ 20,142,000.00	\$ 20,142,000.00
2 Calms at Burgess Point	Conduit - Reg Only	Benecia	Family/Senior	8/24/2021	56	\$ 10,585,186.00	-	-	\$ 10,585,186.00
3 Shermanair Apartments	Conduit - Reg Only	Los Angeles	Individuals/Families	9/13/2021	82	-	\$ 1,940,000.00	\$ 26,535,000.00	\$ 28,475,000.00
4 Fair Oaks Senior Apartments	Conduit - Reg Only	Fair Oaks	Senior	10/22/2021	109	\$ 14,919,817.00	\$ 4,005,876.00	\$ 2,500,000.00	\$ 21,425,693.00
5 Residency at the Mayer Hollywood	Conduit - Reg Only	Los Angeles	Senior	10/22/2021	79	\$ 29,500,000.00	-	-	\$ 29,500,000.00
6 Redwood Gardens Apartments	Conduit - Reg Only	Berkeley	Senior	11/29/2021	169	-	-	\$ 40,000,000.00	\$ 40,000,000.00
7 Avenue 34	Conduit - Reg Only	Los Angeles	Individuals/Families	12/1/2021	315	-	-	\$ 78,500,000.00	\$ 78,500,000.00
8 Lutheran Gardens	Conduit - Reg Only	Los Angeles	Individuals/Families	12/15/2021	76	\$ 10,352,000.00	-	-	\$ 10,352,000.00
9 Kiku Crossing	Conduit - MIP & Perm	San Mateo	Individuals/Families	12/22/2021	0	\$ 85,000,000.00	\$ 34,765,000.00	-	\$ 119,765,000.00
					1,002	\$ 150,357,003.00	\$ 40,710,876.00	\$ 167,677,000.00	\$ 358,744,879.00

Total Conduit Issuance Closed: \$358,744,879

Upcoming FY 2021-22 Conduit Issuance:

<i>Multifamily Conduit (Projected Closings) - FY 21-22</i>									
<i>Q3 - 01/01/2022 - 03/31/2022</i>									
Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Total
College Creek Apartments	Conduit - MIP & Perm	Santa Rosa	Individuals/Families	1/18/2022	0	\$ 33,100,000.00	-	-	\$ 33,100,000.00
Vista Woods	Conduit - MIP & Perm	Pinole	Senior	1/18/2022	0	\$ 39,800,000.00	\$ 21,431,340.00	-	\$ 61,231,340.00
Elm Lane Apartments	Conduit - MIP & Perm	Oakley	Individuals/Families	1/19/2022	0	\$ 33,900,000.00	\$ 12,000,000.00	-	\$ 45,900,000.00
Shiloh Terrace	Conduit - MIP & Perm	Windsor	Individuals/Families	1/19/2022	0	\$ 42,808,977.00	\$ 22,800,000.00	-	\$ 65,608,977.00
Worthington Del Sol	Conduit - Reg Only	Imperial	Individuals/Families	1/21/2022	48	\$ 10,272,768.00	\$ 4,250,000.00	\$ 1,500,000.00	\$ 16,022,768.00
Marina Village	Conduit - MIP & Perm	Suisun City	Individuals/Families	2/1/2022	0	\$ 35,449,239.00	\$ 10,927,278.00	\$ 2,500,000.00	\$ 48,876,517.00
Residency at the Entrepreneur	Conduit - Reg Only	Los Angeles	Senior	2/1/2022	200	\$ 45,000,000.00	\$ 20,577,371.00	\$ 7,200,000.00	\$ 72,777,371.00
Sendero Family Apartments	Conduit - Reg Only	San Diego	Individuals/Families	2/1/2022	100	\$ 16,277,989.00	\$ 8,340,439.00	\$ 4,163,695.00	\$ 28,782,123.00
Crest on Imperial	Conduit - Reg Only	San Diego	Individuals/Families	2/3/2022	100	\$ 18,251,721.00	\$ 7,269,523.00	\$ 4,700,714.00	\$ 30,221,958.00
Heritage Park	Conduit - MIP & Perm	Windsor	Individuals/Families	2/18/2022	0	\$ 10,192,000.00	\$ 5,808,000.00	-	\$ 16,000,000.00
Avenue 34	Conduit - Reg Only	Los Angeles	Individuals/Families	3/1/2022	0	-	\$ 47,000,000.00	-	\$ 47,000,000.00
					448	\$ 285,052,694.00	\$ 160,403,951.00	\$ 20,064,409.00	\$ 465,521,054.00

Note: Projects with '0' as the unit count had their units included with another CalHFA program's unit total.

Upcoming FY 2021-22 Conduit Issuance:

<i>Multifamily Conduit (Projected Closings) - FY 21-22</i>									
<i>Q4 - 04/01/2022 - 06/30/2022</i>									
Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Tax Exempt Loan	Taxable Loan	Recycled Bonds	Total
Monroe Street Apartments	Conduit - MIP & Perm	Santa Clara	Individuals/Families	4/1/2022	0	\$ 22,000,000.00	\$ 7,609,035.00	-	\$ 29,609,035.00
Terracina at the Dunes Site 1	Conduit - MIP & Perm	Marina	Individuals/Families	4/14/2022	0	\$ 34,000,000.00	-	-	\$ 34,000,000.00
Kelsey Ayer Station	Conduit - MIP & Perm	San Jose	Individuals/Families	4/29/2022	0	\$ 33,500,000.00	-	-	\$ 33,500,000.00
The Ivy	Conduit - Reg Only	Escondido	Individuals/Families	5/2/2022	126	\$ 19,355,263.00	\$ 9,618,941.00	\$ 5,054,908.00	\$ 34,029,112.00
West Carson	Conduit - Reg Only	Torrance	Individuals/Families	5/2/2022	230	\$ 57,850,000.00	\$ 21,000,000.00	\$ 10,800,000.00	\$ 89,650,000.00
Anton Power Inn Apartments	Conduit - Reg Only	Sacramento	Individuals/Families	5/11/2022	194	\$ 29,049,499.00	-	\$ 5,000,000.00	\$ 34,049,499.00
Building 209	Conduit - Reg Only	Los Angeles	Individuals/Families	5/11/2022	55	\$ 10,000,000.00	-	-	\$ 10,000,000.00
Kimball Highland	Conduit - MIP & Perm	National City	Individuals/Families	6/1/2022	0	\$ 41,450,000.00	\$ 17,552,191.00	-	\$ 59,002,191.00
Shirley Chisholm Village	Conduit - MIP & Perm	San Francisco	Individuals/Families	6/1/2022	0	\$ 54,461,160.00	\$ 716,106.00	-	\$ 55,177,266.00
Aloe Palm Canyon Apartments	Conduit - Reg Only	Palm Springs	Senior	6/2/2022	72	\$ 19,700,000.00	-	-	\$ 19,700,000.00
Alamo Street Apartments	Conduit - MIP & Perm	Simi Valley	Individuals/Families	6/7/2022	0	\$ 74,000,000.00	\$ 32,590,934.00	\$ 8,000,000.00	\$ 114,590,934.00
					677	\$ 395,365,922.00	\$ 89,087,207.00	\$ 28,854,908.00	\$ 513,308,037.00

Note: Projects with '0' as the unit count had their units included with another CalHFA program's unit total.

FY 2021-22 Permanent & Subsidy Loan Conversions as of December 31, 2021

<i>Multifamily Permanent & Subsidy Transactions</i>									
<i>(Closed)</i>									
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Permanent Loan Amount	Subsidy Loan Amount	Total
1	Summer Park Apartments	Conduit - PTO	Fresno	Family	8/11/2021	248	\$ 3,026,000.00	\$ 5,000,000.00	\$ 8,026,000.00
2	Market Center Apartments	Conduit - PTO	Redding	Individuals/Family	8/16/2021	82	\$ 3,133,691.00	\$ 1,620,000.00	\$ 4,753,691.00
3	Creekside Apartments	Conduit - Perm	Davis	Family	8/26/2021	90	\$ 2,730,000.00	\$ 2,840,000.00	\$ 5,570,000.00
4	Stone Pine Meadow	Conduit - Perm	Tracy	Family	8/27/2021	72	\$ 3,306,000.00	\$ 2,390,000.00	\$ 5,696,000.00
5	Flower Park Plaza	Perm-Refi	Santa Ana	Senior	10/18/2021	199	\$ 28,281,000.00	-	\$ 28,281,000.00
6	Metamorphosis on Foothill	Conduit - Perm	Los Angeles	Family	10/27/2021	48	\$ 2,925,000.00	-	\$ 2,925,000.00
7	Woodlake Terrace	Conduit - Perm	Woodlake	Family	11/19/2021	31	\$ 1,600,000.00	\$ 494,121.00	\$ 2,094,121.00
						770	\$ 45,001,691.00	\$ 12,344,121.00	\$ 57,345,812.00

Note: Units associated with Permanent & Subsidy Conversion projects that appear in **Bold** text are counted in FY 2021-22 production (e.g., Flower Park Plaza units). Otherwise, the units for the Permanent & Subsidy loan conversions were counted in previous fiscal years.

Total Permanent & Subsidy Loan Conversions Closed: \$57,345,812

Upcoming FY 2021-22 Permanent & Subsidy Loan Conversions:

<i>Multifamily Permanent & Subsidy (Projected Closings) - FY 21-22</i>									
<i>Q3 - 01/01/2022 - 03/31/2022</i>									
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Permanent Loan Amount	Subsidy Loan Amount	Total
	North San Pedro Apartments	Conduit - Perm	San Jose	Family	3/1/2022	135	\$ 17,655,000.00	-	\$ 17,655,000.00
	Blackstone McKinley TOD	Conduit - Perm	Fresno	Individuals/Families	3/11/2022	88	\$ 3,305,000.00	\$ 1,760,000.00	\$ 5,065,000.00
	Winter Creek Village	Perm-Refi	Windsor	Individuals/Families	3/14/2022	41	\$ 1,547,000.00	-	\$ 1,547,000.00
	Timothy Commons	Perm-Refi	Santa Rosa	Individuals/Families	3/14/2022	32	\$ 1,176,000.00	-	\$ 1,176,000.00
	Carrillo Place	Perm-Refi	Santa Rosa	Individuals/Families	3/14/2022	68	\$ 4,141,000.00	-	\$ 4,141,000.00
	Leigh Avenue Senior	Conduit - Perm	San Jose	Senior	3/30/2022	64	\$ 8,967,000.00	-	\$ 8,967,000.00
						428	\$ 36,791,000.00	\$ 1,760,000.00	\$ 38,551,000.00
<i>Multifamily Permanent & Subsidy (Projected Closings) - FY 21-22</i>									
<i>Q4 - 04/01/2022 - 06/30/2022</i>									
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Permanent Loan Amount	Subsidy Loan Amount	Total
	Linnaea Villas	Perm	Kingsburg	Senior	4/1/2022	47	\$ 1,500,000.00	\$ 676,617.00	\$ 2,176,617.00
	Bernal Dwellings	Conduit - Perm	San Francisco	Individuals/Families	6/1/2022	160	\$ 22,937,000.00	\$ 3,500,000.00	\$ 26,437,000.00
	Frishman Hollow II	Conduit - MIP & Perm	Truckee	Individuals/Families	6/1/2022	68	\$ 6,610,000.00	-	\$ 6,610,000.00
	Hayes Valley South	Conduit - Perm	San Francisco	Individuals/Families	6/25/2022	110	\$ 25,475,329.00	\$ 3,500,000.00	\$ 28,975,329.00
						385	\$ 56,522,329.00	\$ 7,676,617.00	\$ 64,198,946.00

FY 2021-22 Permanent & Subsidy Loan Commitments as of December 31, 2021

<i>Multifamily Permanent & Subsidy Transactions</i>									
<i>(Closed)</i>									
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Permanent Loan Amount	Subsidy Loan Amount	Total
1	Kiku Crossing	Conduit - MIP & Perm	San Mateo	Individuals/Family	12/22/2021	0	\$ 72,048,000.00	-	\$ 72,048,000.00
						0	\$ 72,048,000.00	\$ -	\$ 72,048,000.00

Total Permanent & Subsidy Loan Commitments Closed: \$72,048,000

Upcoming FY 2021-22 Permanent & Subsidy Loan Commitments:

<i>Multifamily Permanent & Subsidy (Commitments) - FY 21-22</i>									
<i>Q3 - 01/01/2022 - 03/31/2022</i>									
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Permanent Loan Amount	Subsidy Loan Amount	Total
	College Creek Apartments	Conduit - MIP & Perm	Santa Rosa	Individuals/Family	1/18/2022	0	\$ 27,390,000.00	-	\$ 27,390,000.00
	Vista Woods	Conduit - MIP & Perm	Pinole	Senior	1/18/2022	0	\$ 35,240,000.00	-	\$ 35,240,000.00
	Elm Lane Apartments	Conduit - MIP & Perm	Oakley	Individuals/Family	1/19/2022	0	\$ 35,350,000.00	-	\$ 35,350,000.00
	Shiloh Terrace	Conduit - MIP & Perm	Windsor	Individuals/Family	1/19/2022	0	\$ 27,080,000.00	-	\$ 27,080,000.00
	Marina Village	Conduit - MIP & Perm	Suisun City	Individuals/Family	2/1/2022	0	\$ 24,125,000.00	-	\$ 24,125,000.00
	Heritage Park	Conduit - MIP & Perm	Windsor	Individuals/Family	2/18/2022	0	\$ 8,900,000.00	-	\$ 8,900,000.00
						0	\$ 158,085,000.00	\$ -	\$ 158,085,000.00
<i>Multifamily Permanent & Subsidy (Commitments) - FY 21-22</i>									
<i>Q4 - 04/01/2022 - 06/30/2022</i>									
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	Permanent Loan Amount	Subsidy Loan Amount	Total
	Monroe Street Apartments	Conduit - MIP & Perm	Santa Clara	Individuals/Family	4/1/2022	0	\$ 11,580,000.00	-	\$ 11,580,000.00
	Terracina at the Dunes Site 1	Conduit - MIP & Perm	Marina	Individuals/Family	4/14/2022	0	\$ 18,000,000.00	-	\$ 18,000,000.00
	Kelsey Ayer Station	Conduit - MIP & Perm	San Jose	Individuals/Family	4/29/2022	0	\$ 13,300,000.00	-	\$ 13,300,000.00
	Lakehouse Commons Affordable	Perm	Oakland	Family	5/3/2022	91	\$ 6,319,000.00	\$ 3,250,000.00	\$ 9,569,000.00
	Shirley Chisholm Village	Conduit - MIP & Perm	San Francisco	Individuals/Families	6/1/2022	0	\$ 18,526,000.00	-	\$ 18,526,000.00
	Kimball Highland	Conduit - MIP & Perm	National City	Individuals/Families	6/1/2022	0	\$ 22,780,000.00	-	\$ 22,780,000.00
	Alamo Street Apartments	Conduit - MIP & Perm	Simi Valley	Individuals/Families	6/7/2022	0	\$ 48,000,000.00	-	\$ 48,000,000.00
						91	\$ 138,505,000.00	\$ 3,250,000.00	\$ 141,755,000.00

Note: Projects with '0' as the unit count had their units included with another CalHFA program's unit total.

FY 2021-22 Mixed Income Program Loan Commitments as of December 31, 2021

<i>Multifamily Mixed Income Program Transactions</i>							
<i>(Closed)</i>							
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	MIP Loan
1	Kiku Crossing	Conduit - MIP & Perm	San Mateo	Individuals/Families	12/22/2021	225	\$ 2,000,000.00
						225	\$ 2,000,000.00

Total Mixed Income Loan Commitments Closed: \$2,000,000

Upcoming FY 2021-22 Mixed Income Program Loan Commitments:

<i>Mixed Income Program (Commitments) - FY 21-22:</i>							
<i>Q3 - 01/01/2022 - 03/31/2022</i>							
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	MIP Loan
	College Creek Apartments	Conduit - MIP & Perm	Santa Rosa	Individuals/Families	1/18/2022	164	\$ 4,000,000.00
	Vista Woods	Conduit - MIP & Perm	Pinole	Senior	1/18/2022	178	\$ 6,212,000.00
	Elm Lane Apartments	Conduit - MIP & Perm	Oakley	Individuals/Families	1/19/2022	170	\$ 6,000,000.00
	Shiloh Terrace	Conduit - MIP & Perm	Windsor	Individuals/Families	1/19/2022	134	\$ 3,900,000.00
	Marina Village	Conduit - MIP & Perm	Suisun City	Individuals/Families	2/1/2022	160	\$ 3,175,000.00
	Heritage Park	Conduit - MIP & Perm	Windsor	Individuals/Families	2/18/2022	33	\$ 1,400,000.00
						839	\$ 24,687,000.00
<i>Mixed Income Program (Commitments) - FY 21-22:</i>							
<i>Q4 - 04/01/2022 - 06/30/2022</i>							
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	MIP Loan
	Monroe Street Apartments	Conduit - MIP & Perm	Santa Clara	Individuals/Families	4/1/2022	65	\$ 2,655,674.00
	Terracina at the Dunes Site 1	Conduit - MIP & Perm	Marina	Individuals/Families	4/14/2022	142	\$ 2,800,000.00
	Kelsey Ayer Station	Conduit - MIP & Perm	San Jose	Individuals/Families	4/29/2022	115	\$ 4,600,000.00
	Kimball Highland	Conduit - MIP & Perm	National City	Individuals/Families	6/1/2022	145	\$ 6,095,000.00
	Shirley Chisholm Village	Conduit - MIP & Perm	San Francisco	Individuals/Families	6/1/2022	135	\$ 4,500,000.00
	Alamo Street Apartments	Conduit - MIP & Perm	Simi Valley	Individuals/Families	6/7/2022	271	\$ 7,000,000.00
						873	\$ 27,650,674.00

FY 2021-22 Special Needs Housing Program Loan Conversions as of December 31, 2021

<i>Multifamily Special Needs Housing Program Transactions</i>							
<i>(Closed)</i>							
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	SNHP Loan
1	Santa Ana Arts Collective	SNHP/MHSA	Santa Ana	Family	8/19/2021	58	\$ 2,362,215.00
2	Lorena Plaza	SNHP/MHSA	Los Angeles	Family	11/30/2021	49	\$ 1,200,000.00
3	Mountain View	SNHP/MHSA	Lake Forest	Individuals/Family	12/16/2021	71	\$ 1,259,848.00
						178	\$ 4,822,063.00

Total Special Needs Housing Program Loan Conversions Closed: \$4,822,063

Upcoming FY 2021-22 Special Needs Housing Program Loan Conversions:

<i>Multifamily Special Needs Housing Program (Projected Closings) FY 21-22</i>							
<i>Q3 - 01/01/2022 - 03/31/2022</i>							
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	SNHP Loan
	Desert Haven	SNHP/MHSA	Victorville	Individuals/Family	2/1/2022	32	\$ 2,173,669.00
	McCadden Plaza Youth Housing	SNHP/MHSA	Los Angeles	TAY	2/28/2022	26	\$ 560,000.00
	Liberty Lane	SNHP/MHSA	Redlands	Individuals/Families	3/15/2022	80	\$ 1,050,000.00
						138	\$ 3,783,669.00
<i>Multifamily Special Needs Housing Program (Projected Closings) FY 21-22</i>							
<i>Q4 - 04/01/2022 - 06/30/2022</i>							
	Project Name	Underwriting Type	City	Project Type	Closing Date	Units	SNHP Loan
	Cartwright Family Apartments	SNHP/MHSA	Irvine	Individuals/Families	4/15/2022	60	\$ 1,574,810.00
	McCadden Campus Senior Housing	SNHP/MHSA	Los Angeles	Senior	5/1/2022	98	\$ 1,000,000.00
	FLOR 401 Lofts	SNHP/MHSA	Los Angeles	Family	5/13/2022	98	\$ 500,000.00
	Santa Angelina Senior Community	SNHP/MHSA	Placentia	Senior	5/16/2022	65	\$ 2,519,696.00
	Post 310	SNHP/MHSA	San Diego	Individuals/Families	5/31/2022	43	\$ 1,500,000.00
	Villa St. Joseph	SNHP/MHSA	Orange	Senior	6/30/2022	50	\$ 3,696,893.00
	Huntington Square	SNHP/MHSA	Huntington Park	TAY/Fam	6/30/2022	54	\$ 2,000,000.00
	FX Residence	SNHP/MHSA	Santa Ana	Individuals/Families	6/30/2022	17	\$ 2,047,253.00
						485	\$ 14,838,652.00

State of California

MEMORANDUM

To Board of Directors

Date: January 20, 2022

From: Rebecca Franklin, Director of Enterprise Risk Management and Compliance
CALIFORNIA HOUSING FINANCE AGENCY

Subject: **California Mortgage Relief Program**

CalHFA Homeowner Relief Corporation (CalHRC) fully launched the California Mortgage Relief Program (CalMRP) Monday, December 27, 2021. CalHFA designed and implemented the new program to respond to overwhelming need as COVID-19 and the related economic disruption have exacerbated an already precarious housing situation from millions of California families. CalHRC received U.S. Department of the Treasury approval on Friday, December 17, 2021.

Funding for the CalMRP program is \$1 billion; and the program will help an estimated 20,000 to 40,000 struggling homeowners, with funds reserved for homeowner in socially disadvantaged underserved communities often hit hardest by the pandemic.

Eligible applicants can visit and apply online at www.CAMortgageRelief.org. Eligible applicants must have a household income at or below 100% of their county's Area Median Income, own a single-family home, condo or permanently affixed manufactured home and have faced a pandemic-related financial hardship after January 21, 2020 and meet at least one of the following qualifications:

1. Receiving public assistance;
2. Severely housing burdened; or
3. Have no alternative mortgage workout options through current mortgage servicer.

Since program guidelines dictates that funds are sent directly to a homeowner's mortgage servicer, the CalMRP team is working toward a goal of having participation from all servicers that do business in California. There are 23 servicers currently participating in the program with another 11 in process to become full participants. CalMRP is working with various partners such as the Department of Financial Protection and Innovation to get the remaining servicers signed up as participants.

Since the launch on December 27, 2021, CalMRP has received 2637 applicants.

We will continue to work with qualified applicants to make sure they become current with their mortgage payments and remain stably housed in California.